AGENDA ITEM E-04



AGENDA TITLE: Approve Request for Proposal (RFP) to Replace and Upgrade the Existing

Remote Meter Reading System and Services for Time-Of-Use Electric Customers (Large Customer Class) and Authorize the Advertisement for

Proposals (EUD)

MEETING DATE: April 2,2008

PREPARED BY Electric Utility Director

RECOMMENDED ACTION: Approve a Request for Proposal (RFP) to replace and upgrade the

existing remote meter reading system and services for the large customer class, time-of-use (TOU) customers and authorize the

advertisement for proposals.

BACKGROUND INFORMATION: EUDs existing remote meter reading system was originally provided

by IMSERV North America LLC (IMSERV). IMSERV has been absorbed by Hunt Technologies, Inc. (Hunt) and they continue to

provide the same remote meter reading services and processes. In 2007, MeterSmart of Arlington, Texas acquired Hunt Technologies, Inc.

Unfortunately, the changes of remote meter reading service providers has not improved the poor quality of service, questionable meter reading data (especially for large class customers), time-consuming billing data preparation, and discrepancies between the website meter data and the billing meter reads. Utility Department's (EUDs) Metering Electrician usually spends an average of four to ten workdays correcting errors and processing large customer billings per month. Frequent coordination with MeterSmart about the situation has not produced either service or data quality improvement.

For purposes of improving the quality of meter data, service and website information, staff recommends replacement and upgrading the existing remote meter reading system services for the City's large TOU customers. The proposed system under the RFP will be requested with automated file transfer features, will be operated in parallel with the MeterSmart for a period of three months to prove concept and processes, and will be provided on a "turn-key" basis. Currently, there are 55 TOU customers being served. If the existing California Independent System Operator Market Redesign and Technology Upgrade (CAISO MRTU) initiative is implemented and critical peak pricing is involved, the other small three-phase customers should also be converted. At this time, the added cost to EUD of converting the smaller TOU customers is greater than the benefits of doing so.

FISCAL IMPACT: The benefit from the efficiencies gained and the accuracy of reads will

offset the costs of the new meters.

FUNDING AVAILABLE: Estimated cost is approximately \$25,000 and included in the EUD 2007/08

budget in Account No. 161651.

APPROVED: Blair King, City Manager

Approve Request for Proposal (RFP) to Replace and Upgrade the Existing Remote Meter Reading System and Services for the Time-Of-Use (TOU) Customers (Large Customer Class) and Authorize the Advertisement for Proposals (EUD) April 2,2008 Page 2 of 2

> mae F Morrow /8/1. **Electric Utility Director**

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